REMARKS / ARGUMENTS

In response to the Office Action dated July 11, 2007, Applicants respectfully request reconsideration based on the above claim amendments and the following remarks.

Status of Claims

Claims 1-5, 7, 8, 10-22, 24-30 and 32-42 were pending and were rejected by the Examiner. Claims 1, 10, 24 and 32 have been amended. No new matter has been introduced by these amendments. Accordingly, claims 1-5, 7, 8, 10-22, 24-30, and 32-42 are presented and at issue.

Rejections Under 35 U.S.C. §103(a)

Claims 1-5, 7-8, 10-12, 14-22, 24-30, 32-34, 36-42 stand rejected under 35 U.S.C. §103(a) as being unpatentable over Cai et al. (U.S. Patent No. 6,590,970, hereinafter "Cai") in view of Kamel (U.S. Patent No. 6,009,150, hereinafter "Kamel") and further in view of Jagadish et al. (U.S. Patent No. 5,987,108, hereinafter "Jagadish". Regarding independent claims 1, 10, 24 and 32, the Examiner acknowledges that Cai does not specifically disclose Applicants' claimed feature of setting a limit on the duration of a voice channel communication wherein the subscriber provides demarcation information, and looks to Kamel to cure this deficiency.

Applicants respectfully traverse these rejections for the following reasons. The obviousness rejection is improper as the References fail to teach or suggest each and every element of the instant invention. For an obviousness rejection to be proper, the Examiner must meet the burden of establishing a prima facie case of obviousness. *In re Fine*, 5 U.S.P.Q.2d 1596, 1598 (Fed. Cir. 1988). The Examiner must meet the burden of establishing that all elements of the invention are taught or suggested in the prior art. MPEP §2143.03.

Even if the teachings of Cai, Kamel, and Jagadish are somehow combined, the resulting combination fails to meet applicants' claimed invention. Amended claim 1 recites, *inter alia*, "the demarcation information implementing one or more of:

associating each of a respective plurality of directory numbers of other subscribers with a corresponding demarcation interval, or identifying one or more directory numbers of other subscribers to which a corresponding demarcation interval does not apply, or associating each of a respective plurality of directory numbers of other subscribers with a corresponding default demarcation interval" (emphasis added). The demarcation information is now described as applying to communications for which a subscriber's directory number is an origination point or a termination point. Corresponding features are recited in independent claims 10, 24 and 32. Support for the foregoing features is found throughout Applicants' specification, for example, in paragraphs [0020] and [0021]. No new matter has been added.

Cai, Kamel, and Jagadish fail to disclose, either expressly or inherently, all of the elements present in claims 1, 10, 24 and 32. Specifically, Cai, Kamel, and Jagadish do not disclose or suggest associating each of a respective plurality of directory numbers with a corresponding demarcation interval. Moreover, neither Cai, nor Kamel, nor Jagadish disclose or suggest identifying one or more directory numbers to which a corresponding demarcation interval does not apply. In addition, neither Cai, nor Kamel, nor Jagadish disclose or suggest "associating each of a respective plurality of directory numbers with a corresponding default demarcation interval. Furthermore, neither Cai, nor Kamel, nor Jagadish disclose or suggest using demarcation information that applies to communications for which a subscriber's directory number is an origination point or a termination point.

Cai discloses a telephone system that allows a customer to make a free bonus call after listening to an advertisement wherein the duration of the free bonus call is determined by the sponsoring entity. According to Cai, the sponsoring entity, and not the customer, is billed for this service (see col. 6, lines 1-4 of Cai). Specifically, Cai discloses using an algorithm to bill a sponsoring entity for a free bonus call which lasts for a predetermined time period. Cai does not teach or suggest any functionality related to associating each of respective directory numbers with corresponding demarcation information. By way of an additional distinction, Cai limits the length of the free bonus call as a function of the cost of the call. In view of the foregoing, Cai fails to disclose

Applicants' claimed initiating a billing of the subscriber for accepting and enforcing demarcation information.

Cai does not teach or suggest allowing the caller or subscriber to determine the length of the free bonus call. In fact, such an arrangement is counter-intuitive given the fact that the sponsoring entity is billed for the free bonus call and would potentially be exposed to subscribers who select very long time durations for their bonus calls. Thus, Cai provides no mechanism whatsoever for accepting demarcation information from a subscriber specifying at least one of a time interval or a monetary amount.

Kamel discloses a technique for delivering promotional messages by telephone. The user selects a number of promotional messages which are then played back to earn a desired period of time for free or subsidized calling (see col. 2,lines 44-51 of Kamel). Kamel does not teach or suggest any functionality related to associating each of respective directory numbers with corresponding demarcation information. Moreover, Kamel neither discloses nor suggests billing of the subscriber for the purpose of accepting and enforcing call demarcation information. Moreover, Kamel neither discloses nor suggests use of demarcation information that specifies at least one of a time interval or a monetary amount. Instead, Kamel discloses the subscriber selecting a quantity of advertisements to earn a desired amount of calling credits, with the subscriber being restricted to fixed blocks of calling credits based upon the number of available advertisements. There is no mechanism by which the system disclosed in Kamel can accept a subscriber-specified time interval or monetary amount.

Jagadish discloses techniques for telephone call processing that provide control of telephone usage based on customer established budgets. Customer specific information including pricing data and budget parameters for a customer is stored, as is summary information relating to customer telephone usage. A call setup query is received from a network switch. A call setup response is generated based on the budget parameters and the summary information and the call setup response is transmitted to the network switch. In order to generate the stored summary information, a plurality of records are received wherein each record describes a telephone call. A priced call value for each call is

determined using the record and the customer specific information. Summary information for the customer is determined using the record, the priced call values and the budget parameters. However, Jagadish does not teach or suggest any functionality related to associating each of respective directory numbers with corresponding demarcation information. Furthermore, Jagadish does not disclose or suggest that demarcation information applies to communications for which a subscriber's directory number is an origination point or a termination point.

In view of the foregoing considerations, Cai, Kamel, and Jagadish fail to disclose, either expressly or inherently, all of the elements present in claims 1, 10, 24 and 32. Claims 2-5, 7, and 8 depend from claim 1; thus, these claims are believed to be allowable at least due to their dependency on claim 1. Claims 11-22 depend from claim 10; thus, these claims are believed to be allowable at least due to their dependency on claim 10. Claims 25-30 depend from claim 24; thus, these claims are believed to be allowable at least due to their dependency on claim 32; thus, these claims are believed to be allowable at least due to their dependency on claim 32;

Claims 13 and 35 stand rejected under 35 U.S.C. §103(a) as being unpatentable over Cai in view of Kamel, further in view of Jagadish and further in view of Smith (U.S. Patent No. 5,559,871, hereinafter "Smith". Dependent claims inherit all limitations of the corresponding base claim and any intervening claims. Claim 13 depends from independent claim 10. Likewise, claim 35 depends from independent claim 32. Accordingly, claim 13 is believed to be allowable at least due to its dependency on claim 10, and claim 35 is believed to be allowable at least due to its dependency on claim 32.

Moreover, Cai, Kamel, Jagadish and Smith fail to disclose, either expressly or inherently, all of the elements present in claims 10 and 32 as stated above. For further

details regarding Cai, Kamel, and Jagadish, refer to the previous discussion in connection with the Examiner's rejection of claims 1, 3-5, 7-12, 14, 15, 17, 19-22, 24-34, 36, 37, and 39-43.

Smith describes a technique for placing a limit on charges to be incurred for a telecommunications call. The telecommunications network maintains a running tally of the charges being incurred and notifies the caller when the charges approach a limit. At that time, the caller may specify a new limit, simply disconnect, or be disconnected by the network. Smith includes no teaching or suggestion that billing of the subscriber is initiated for accepting and enforcing demarcation information. Moreover, Smith does not disclose or suggest Applicants' claimed feature of setting a time limit on the duration of a voice channel communication. Smith keeps a running tally of charges irrespective of call duration, yet provides no mechanism by which, for example, a subscriber can limit the duration of a free local call.

In view of the foregoing considerations, Cai, Kamel, Jagadish and Smith fail to disclose, either expressly or inherently, all of the elements present in claims 10 and 32. As indicated above, claim 13 depends from claim 10 and claim 35 depends from claim 32; thus, claims 13 and 35 are believed to be allowable at least due to their dependency on an allowable base claim.

CONCLUSION

In view of the foregoing analysis, it is respectfully submitted that the application is in condition for allowance. Accordingly, it is respectfully requested that this application be allowed and a Notice of Allowance issued. If the Examiner believes that a telephone conference with Applicants' attorneys would be advantageous to the disposition of this case, the Examiner is cordially requested to telephone the undersigned.

In the event the Commissioner of Patents and Trademarks deems additional fees to be due in connection with this application, Applicants' attorney hereby authorizes that such fee be charged to Deposit Account No. 06-1130.

Respectfully submitted,
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